

An organization, which otherwise meets the requirements for qualification for exemption from Federal income tax as an organization described in section 501(c)(3) of the Internal Revenue Code of 1954, will not be precluded from establishing an exempt status under section 501(a) of the Code merely because the creator of the organization (if a trust) is either the sole or controlling trustee or merely because the organization is controlled by one individual. But see sections 503 and 504 of the Code, providing for denial of exemption of certain organizations described in section 501(c)(3) of the Code because the organization has engaged in a prohibited transaction, as defined in section 503(c), or because of the nonuse or misuse, as provided in section 504(a), of amounts accumulated out of income for purposes or functions constituting the basis for exemption of the organization under section 501(a) of the Code.